



**North Carolina Department of Health and Human Services
Division of Mental Health, Developmental Disabilities and Substance Abuse Services**

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Michael F. Easley, Governor
Carmen Hooker Odom, Secretary

Michael Moseley, Director

May 11, 2005

MEMORANDUM

To: Legislative Oversight Committee Members
Commission for MH/DD/SAS
State Consumer/Family Advisory
Committee Chairs
Advocacy Organizations and Groups
North Carolina Association of County
Commissioners
County Managers
County Board Chairs
North Carolina Council of Community
Programs
State Facility Directors
Area Program Directors
Area Program Board Chairs
DHHS Division Directors
Provider Organizations
MH/DD/SAS Professional Organizations
and Groups
MH/DD/SAS Stakeholder Organizations
and Groups
Other MH/DD/SAS Stakeholders

From: Mike Moseley 

Re: **Communication Bulletin #039**
Revised Implementation Date for New
Medicaid Rehabilitation Option State Plan
Services



As you know, implementation of the new Enhanced Benefit services is contingent upon approval from the federal Centers for Medicare and Medicaid Services (CMS). Though we have been working diligently to be ready to implement the new services effective July 1, 2005, the uncertainty of CMS approval by that date has caused some anxiety within our system, at the Local Management Entity, provider, and family and consumer level. In order to continue to move our reform efforts forward as quickly as possible, while at the same time ensuring that we do not impose unnecessary stress on the system, Secretary Carmen Hooker Odom, Division of Medical Assistance Interim Director Mark Benton, and I have concluded that it is prudent to announce that we are now planning to postpone implementation of the new service definitions, along with the associated Medicaid State Plan changes such as direct enrollment for providers of those services, until October 1, 2005.

Mark Benton and I, along with members of our staff, met yesterday with CMS representatives at the Regional Office in Atlanta. We left the meeting feeling very encouraged that CMS staff understand and are supportive of the changes we are making in the public mental health,



developmental disabilities, and substance abuse system in North Carolina. We recognize, however, their responsibility to thoroughly review all of the materials that we have presented to them. Though we feel confident that we will receive approval of the Medicaid State Plan Amendment to implement the new services well in advance of October 1, 2005, we believe it is important to the stability of the system to allow for this additional ninety day preparation period in advance of implementation.

Please note that this announcement regarding a change in the implementation date for Enhanced Benefit services does not apply to the proposed new CAP-MR/DD waiver services. You may have heard that CMS sent DMA a Request for Additional Information (RAI) regarding the new waiver application on April 29, 2005. This is fairly routine and Mark Benton hand-delivered our response to the RAI yesterday. We will wait to see if our response has adequately addressed all of CMS' questions before we make a decision on whether or not we need to change the implementation date for the new waiver services.

We know that the implementation of the new, comprehensive Enhanced Benefit services is critical to achieving our goals of reducing the utilization of state facilities and child residential placements as well as providing better services and supports to individuals with disabilities to allow them to live in communities of their choice. We also recognize that implementation of a change of this magnitude must be done in a thoughtful and planned manner. We believe that using this additional ninety days to thoroughly address all implementation issues, without the concern that we might not have CMS approval by our "go live" date, will allow us to minimize any implementation issues.

cc: Secretary Carmen Hooker Odom
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